

Let this be a message for all public officials. You treat people who work for you with respect. They are not playthings, they are people. It all boils down to respect and dignity.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

MORE BAD NEWS FOR AMERICA'S WORKERS

The SPEAKER pro tempore (Mr. HOEKSTRA). Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, tonight I want to talk about another company in our country and more bad news for America's workers as a result of NAFTA, the \$20 billion trade loser. This time the damage comes from Topeka, KS, where workers at the Flexel cellophane plant are being forced to take another pay cut, this time for 11 percent. This was reported in the August 31 issue of the Capital-Journal, which is their local newspaper. That means for a worker in that company making \$8.50 an hour they will now have their pay cut to close to \$8 an hour, and all this has happened after a wage freeze at that company that has been in effect since 1991. In fact, workers at Flexel have seen their wages drop from \$13 an hour 5 years ago now to the current proposal to ratchet them down even more, to \$8 an hour.

What has been happening to cause this ratcheting down of U.S. worker wages? Mexican-based cellophane manufacturing plants have been increasing their penetration of the United States market to nearly one-fifth, or 20 percent, of our marketplace, up from only 3 percent 4 years ago. Our workers are being forced again to compete against multinational companies that can set up shop anywhere on the globe in order to seek the lowest wages possible along with no environmental enforcement. In Mexico workers at those relocated cellophane plants earn about 50 cents an hour, and that is where America's wages are headed, my friends, and did you notice that the price of cellophane has not dropped in our grocery stores? You can figure out who is making the money off workers on both sides of the United States-Mexican border.

It is time to cancel NAFTA, go back to the drawing boards and reshape it, and stand up for the hard-working families of our continent who all are being taken to the cleaners, and, if I might quote from a retiree from that particular plant in Kansas, he tells us a little bit about what the story is in that community. He said originally du Pont company built what was then called the Tecumseh cellophane plant and

brought it on line in 1958, and back in those years that was the fifth plant in the United States making cellophane.

Mr. Speaker, the news articles I will include in the RECORD indicate that there are only two left in this country.

This worker went to work for that company in 1964 and retired in 1985. He says when he retired from the plant it was the last plant operating for du Pont in the United States making cellophane. About 1 year later it was sold to this owner, Flexel, out of Atlanta, GA, and when he left the company back in 1985, he was making just over \$12 an hour. Mr. Speaker, he wrote me because he was shocked to find 10 years later the workers in that plant were making so much less. He said:

Ms. KAPTUR, the imports from Mexico have had an impact on this plant and its workers, and I'm concerned because I still have a lot of my friends working there. Unfortunately all those workers in the United States and the low-paid workers in Mexico will gain no fairness, they will gain no equity, because there is nothing in the trade agreement that tries to compensate for the difference in living standards, political standards, and environmental standards between these two adjacent nations.

So, Mr. Speaker, this evening I will be submitting into the RECORD the entire story of what has happened in Topeka, KS, one community in our country that understands well the impact of footloose multinational corporations and what happens when the Government in Washington falls asleep and fails to protect the workers of this continent.

[The articles referred to are as follows:]

[From the Capital-Journal, Aug. 31, 1995]
PAY CUT OF 11 PERCENT GOES INTO EFFECT ON MONDAY

(By Morgan Chilson)

An 11 percent pay cut will begin Monday at the Flexel plant in Tecumseh, company officials told employees Wednesday.

Pay cuts are part of a company-wide plan to reduce costs because of increased global competition and declining demand for cellophane, said Gerry Broz, site manager at the plant.

Broz also stated adamantly Wednesday that reports from employees that company officials walked out on negotiations with Amalgamated Clothing and Textile Workers Union, or UNITE, last week were "completely inaccurate."

"After almost 10 months of good-faith bargaining and agreement on most issues, the company submitted a final proposal last Thursday calling for an 11 percent pay cut and work-rule changes that would lead to additional cost savings," Broz said.

Broz told employees in meetings Wednesday that Flexel and the union deadlocked over the issue of wage concessions.

Flexel officials opened financial information to a union auditor in the spring so employees would understand the economic difficulties facing the company, Broz said. Despite that, employees continued to ask for a five to 10 percent wage increase, he said.

Broz didn't elaborate on what the additional money saving measures were, but employees highlighted the loss of premium pay or Sunday time-and-a-half pay.

The cuts change several regulations, such as what happens when an employee goes

home from work sick, according to Randal Carnegie, an employee at Flexel who attended a morning meeting Wednesday.

"On the original program, if you get sick and if you work over two hours and you go home after that two hours, you get eight hours pay," Carnegie said. "They've done away with that."

Carnegie said the company also will no longer pay for annual physicals for employees. That expense will be out-of-pocket for the portion insurance doesn't cover, he said.

For employees on full-time disability, the company will not begin payment of disability pay until after four days and then only with a doctor's excuse, Carnegie added. Disability pay did start the first day off work, he said.

Carnegie, who has been working at Flexel for one year, makes \$8.50 an hour at the plant. His hourly wage will drop to \$8.04 an hour under the new cuts.

A source familiar with the negotiating process who spoke on the condition of anonymity said the average base wage at the plant has decreased since 1993 to \$12.78 per hour. An 11 percent decrease would lower that average base rate to \$11.37.

The plant employs over 240 employees, the source said. The base wage has gone down from the 1993 average salary of \$13.66 per hour because of lower starting wages, the source said.

Flexel Corp., based in Atlanta, owns the two remaining cellophane plants in the United States, the one in Tecumseh and one in Covington, Ind.

The Covington plant felt its share of cutbacks in April, when about one-third of the plant's 345 employees were laid off, according to reports published in the Commercial News in Danville, Ill.

That newspaper reported 20 salaried and 80 hourly employees were laid off.

The last time employees were laid off at the Tecumseh plant was in 1989, when 12 salaried employees and 30 temporary employees were laid off.

"We don't want to cut Tecumseh wage roll jobs because we want to keep Tecumseh production levels high," Broz said. "So we have no choice but to cut wages."

Carnegie said many employees believe other cost-cutting measures weren't researched. For example, he said, workers currently are paid for lunch shifts and if that policy could be dropped, it would save the company 2.5 hours per week per person.

Broz said it is untrue that other cost-cutting measures haven't been considered.

FLEXEL WORKERS FACE PAY CUT

Mandatory employee meetings today at Flexel Corp. will determine what options are left for members of the Amalgamated Clothing and Textile Workers Union of America after negotiations with management came to a halt last week.

Employees of Flexel, one of two remaining cellophane manufacturing plants in the United States, voted in October 1994 to join ACTWU and then began working with Flexel's management to negotiate a contract. It never got that far.

Last Thursday, members of the management negotiating team walked out of negotiations after leaving their only offer on the table, a source familiar with the negotiations said Tuesday on condition of anonymity.

Jerry Broze, site superintendent at the Flexel plant in Tecumseh, said the company would comment today on labor negotiations.

The source said Flexel's offer involved a reduction of \$1.4 million, which amounted to an 11 percent pay cut for employees. When totaled in with other aspects of the offer, including no more premium or overtime pay